



SECTION III

Serving Students through Schools

Background

The Office of Student Financial Assistance (OSFA) delivers its product through a national network of 6,000 student financial aid administrators employed by schools. The better OSFA serves schools, the better schools can serve students. The better OSFA coordinates with schools, the less the whole system costs.

The schools run the gamut from Enormous State U. to Itty Bitty Beauty College. Some are on semesters, some are on clock hours, and some are on the Internet. Nearly all of them are honestly helping put America through school; a few are bad apples. OSFA must continue to diligently seek out and discard the bad apples so more tax dollars are spent at worthwhile schools.

OSFA has generally *tried* to make one size fit all for two good-sounding reasons — economy and fairness. It's cheaper for OSFA to issue each new year's application forms, procedures, and software on a single, routine schedule geared to the traditional school year that starts with fall semester. Cheaper, that is, if you don't count the cost of scrambling that goes on at the thousands of schools whose schedules are different — who want to close out admissions in May, or who start a new class each week. It's cheaper for OSFA to hold a big training session in a central location and cover everything everybody might ever need to know — if you don't count the cost of school employee travel and dead time in class waiting for relevant information. OSFA should consider the cost of the whole delivery system and provide service to fit various school needs.

The economy would be better served if OSFA considered the cost of the whole delivery system, and tailored service to fit various school segments.

Even in matters that are regulatory, OSFA will suggest to the Secretary ways to more fully utilize current flexibilities such as Experimental Sites. In a model of non-adversarial partnership, OSFA has been helping a number of colleges and universities reduce default rates so their students can keep getting federal aid. But the basic change that is needed — shifting the focus from red tape to *results* — will require full-blown statutory reform, which OSFA will recommend to the Secretary.

Schools do have some things in common. They all want better service, more and better information, and better training — training for their people and for OSFA's people. Good companies without anywhere near OSFA's complexity go to much greater lengths to make sure their retail distributors have the skills and information they need to serve customers. By doing things the right way, schools incorporate their fiduciary responsibilities into their operations. Consider McDonald's Hamburger U., the best companies cherish feedback from their frontline service components just as much as from their customers.

To deliver service equal to the best in business, OSFA must collaborate with schools. It must also hold them accountable for the administration of federal dollars. It must strike a balance between financial accountability to taxpayers and minimizing constraints on schools. They are our partners. And if our partner has a problem, we have a problem.

◆ **Tailor Service for Schools**

Status

One size does *not* fit all.

Actions

OSFA should tailor its products and the timing of its distributions to fit the differing needs of different school segments (*SCH015, SCH018, SCH051, SCH052, SCH053*). Let the schools in each segment help with the tailoring (*SCH045, SCH046, SCH047*), and then don't surprise them with changes (*SCH016*). Acknowledge schools that are doing things the right way by fulfilling their fiduciary responsibilities correctly. Take decisive and swift action against those that are not.

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OSFA should assign each school an account manager who will be part of a customer service team with the know-how and the authority to help.

◆ *One Call Does It All*

Status

Schools have the same problems dealing with OSFA that students have: no single place to get every question answered, any problem solved.

Actions

OSFA should assign each school an account manager who will be part of a customer service team with the know-how and the authority to help (SCH001, EMP020, EMP021). The team would handle a number of similar schools so they can tailor service for that segment's needs (SCH002, SCH003, SCH004, SCH011, SCH014, SCH017, SCH019, SCH053), and use feedback from the schools to make service even better (SCH057, SCH058, SCH059, EMP062, EMP032). Other federal agencies have improved service this way; they can provide good models and advice (SCH048).

OSFA should give schools more and better service on-line too, including a new web site even more useful than the Information for Financial Aid Professionals (IFAP) web site (SCH005, SCH020, SCH056, SCH060). OSFA should give schools PIN-controlled access to the data they have a right to see (SCH012, SCH021, SCH023). And OSFA should join forces with the National Student Loan Clearinghouse (SCH022) to improve the quality and scope of information beyond what OSFA could provide alone, creating an accurate "all-enrolled" database.

◆ *Create OSFA "University"*

Status

Understanding the combined complexity of government regulation, financial management, and information technology takes lots of well-organized training. It's missing. Schools complain that they can't keep up with all the latest, and that the people OSFA assigns to teach them sometime don't have the tools and training they need.

Actions

In partnership with OSFA employees, schools, financial institutions, and the Department's Training and Development Center (TDC), create an OSFA

“University,” like Disney and Motorola Universities (*EMP009*), to greatly raise the level of competence and professionalism throughout the entire student aid system. OSFA “University” will belong to all of us: OSFA employees, schools, and financial institutions. It will give us a way to broaden and sharpen our skills. Let schools help tailor the curriculum (*SCH006, SCH067*). Provide OSFA with the tools and resources to succeed (*SCH007, SCH008, SCH009, SCH010*). Raise the quality and confidence in audits by training Title IV auditors (*SCH032, SCH033, SCH034*). Use video and other distance-learning techniques (*SCH066*). As permitted by law, have school and OSFA employees swap positions for the most practical kind of cross-training, teaching, and learning experiences (*SCH049, SCH050, SCH061, SCH062, SCH065, EMP016, EMP017*).